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**May 1, 2007**

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### **WOODLAND MEN PLEAD GUILTY TO TAX EVASION IN CONNECTION WITH SACRAMENTO TIRE STORE**

SACRAMENTO - United States Attorney McGregor W. Scott announced today that IJAZ GHANI, age 36, and MOHAMMAD AHAD PARVEZ, age 41, both of Woodland, California, pleaded guilty to federal income tax evasion charges.

This case was the product of extensive investigation by special agents of the Internal Revenue Service-Criminal Investigations and the Federal Bureau of Investigation.

Defendants PARVEZ and GHANI, owners of A & A Tires in Sacramento, both entered guilty pleas this morning before United States District Judge Lawrence K. Karlton to filing false tax returns. According to Assistant United States Attorney S. Robert Tice-Raskin, who is prosecuting the case, defendants PARVEZ and GHANI maintained two sets of accounting books for A & A Tires ("A & A"), one which accurately reflected the gross receipts or sales for the business, and one which substantially understated the gross sales for the business. In 2004, A & A Tires had gross sales of approximately \$1,586,998.96 and each defendant, a 50% partner, was required to declare the receipt of 50% of the income, or approximately \$793,499.48, on his individual tax return. Instead, defendant PARVEZ reported on his 2004 Form 1040 that he had income of only \$30,732 from another unrelated business and did not report any of the

\$793,499.48 in income he had received from A & A. Defendant GHANI reported on his 2004 Form 1040 that he received \$329,065.00 of gross receipts associated with A & A Tires, falsely failing to report that he had received \$464,434.48 of additional income from A & A Tires for that year. The IRS recalculated defendant PARVEZ's and GHANI's 2004 tax liability utilizing, among other things, the corrected gross receipts offset by all appropriate costs of goods sold and expenses. It determined that the total tax loss to the government was \$57,051.00 as to defendant PARVEZ and \$52,832.00 as to defendant GHANI.

Sentencing is set for July 24, 2007 at 9:30 a.m. before Judge Karlton. The maximum sentence for each offense of conviction is three years imprisonment and a fine of \$250,000. However, the actual sentence will be determined at the discretion of the court after consideration of the Federal Sentencing Guidelines, which take into account a number of variables, and any applicable statutory sentencing factors. As part of the plea agreement, both defendants also have expressly agreed to pay restitution to IRS for the tax loss caused by their conduct.

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